

FY 2019 Medicaid Budget Update

Medicaid Advisory Committee Meeting
January 22, 2018

Governor's FY 2019 Allowance

- **Medicaid**..... \$9.7 B (\$2.9B GF)
- **MCHP** \$258M (\$31M GF)
- **Kidney** \$5 M (\$5 GF)
- **Administration** \$ 147M (\$27M GF)
- **Behavioral Health**..... \$1.4 B (\$463M GF)
- **Senior Prescription Drug**.....\$15 M

- **Total** \$11.6 B (\$3.4B GF)

3% increase or \$.3B TF increase over FY 2018 appropriation

Enrollment

	FY 2018 <u>Appropriation</u>	FY 2019 <u>Allowance</u>
• Medicaid	1,238,847	1,257,691
• MCHP	148,871	149,128

Includes Increases For:

- 1% increase for Medicaid Providers (Nursing Homes, Medical Day Care, Personal Assistance, Private Duty Nursing, Community First Choice, and Home and Community Based Options)
- E & M Physician rate increase to 93% of Medicare
- 1% rate increase for MCOs as of January 2018 and a 2.8% ACA IRS tax that is required
- 2 % increase for Behavioral Health Providers related to Hope Act. BRFA required.
- 15 PINS for a new initiative with the Dept. of Corrections (10 in FY18 and 5 in FY19)
- Targeted Case Management for Children rate increase to \$32 per unit of service.

Cost Containment Initiatives

- Eligibility related reductions related to matching enrollee information with surrounding State's data bases and additional verifications of income. (\$35M GF)
- Auto assignment of recipients to an MCO. Recipients would continue to be able to make a change. (\$2M GF)
- Medicaid Deficit Assessment for Hospitals of \$10M
- ABA reduction related to lower utilization than originally anticipated (\$.4MGF)